



# CITY COUNCIL

## AGENDA REQUEST

AGENDA OF:	FEBRUARY 19, 2008	AGENDA REQUEST NO:	IV A
INITIATED BY:	DIANNE F. STANFORD CHIEF ACCOUNTANT <i>dl</i>	RESPONSIBLE DEPARTMENT:	ACCOUNTING
PRESENTED BY:	DIANNE F. STANFORD CHIEF ACCOUNTANT & CHRISTOPHER BREAUX NULL-LAIRSON	DEPARTMENT HEAD:	LINDA SYMANK <i>LS</i> DIRECTOR OF FISCAL SERVICES
		ADDITIONAL DEPARTMENT HEAD (S):	
SUBJECT / PROCEEDING:	AUDITED ANNUAL FINANCIAL REPORT AND AUDITORS' OPINION FOR FISCAL YEAR ENDED SEPTEMBER 30, 2007.		
EXHIBITS:	THE AUDITORS' OPINION ON THE CITY OF SUGAR LAND'S BASIC FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED SEPTEMBER 30, 2007.		
CLEARANCES		APPROVAL	
LEGAL:	N/A	EXECUTIVE DIRECTOR:	N/A
PURCHASING:	N/A	ASST. CITY MANAGER:	KAREN DALY <i>kd</i>
BUDGET:	N/A	ACTING CITY MANAGER:	KAREN GLYNN <i>Kg</i>
BUDGET			
EXPENDITURE REQUIRED: \$		N/A	
AMOUNT BUDGETED/REALLOCATION: \$		N/A	
ADDITIONAL APPROPRIATION: \$		N/A	
RECOMMENDED ACTION			
Review for filing the Basic Financial Statements for the year ended September 30, 2007 and the independent auditors' opinion thereon.			

## EXECUTIVE SUMMARY

As required by state statute, an independent audit has been made by the certified public accounting firm of Null-Lairson, P.C. for the year ended September 30, 2007. Pursuant to Section 103.003 of the Texas Local Government Code, the annual financial statements including the auditors' opinion must be filed with the City Secretary within 180 days after the last day of the fiscal year.

The audited Basic Financial Statements, which include the auditors' opinion, will be presented to the Mayor and City Council and to the City Secretary for filing. Staff and the auditors met with the Council Finance/Audit Committee on February 14 to review the financial statements and Auditors' Opinion. Christopher Breaux of Null-Lairson will present the report.

## EXHIBITS

11 Greenway Plaza, Suite 1515  
Houston, TX 77046  
(713) 621-1515  
Fax: (713) 621-1570



Sugar Land, TX 77479  
281.242.8600  
Fax: 281.242.7333  
2277 Plaza Drive, Suite 260

To the Honorable Mayor and Members  
of the City Council City of  
Sugar Land, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Sugar Land, Texas, (the "City") as of and for the year ended September 30, 2007, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Sugar Land, Texas, as of September 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February XX, 2008 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions or laws, regulations, contracts, and grants. That report, which has been issued separately from this document, is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit

The Management's Discussion and Analysis on pages 3 through 14, budgetary comparison information and Required Pension System Supplementary Information on pages 62 through 66 are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

11 Greenway Plaza, Suite 1515  
Houston, TX 77046  
(713) 621-1515  
Fax: (713) 621-1570



Sugar Land, TX 77479  
281.242.8600  
Fax: 281.242.7333  
2277 Plaza Drive, Suite 260

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, other supplementary information and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Null Lairson

Houston, Texas